

3:22-mj-00181

DISTRICT OF OREGON, ss:

AFFIDAVIT OF ALEX NGUYEN

Affidavit in Support of a Criminal Complaint

I, Alex Nguyen, being first duly sworn, hereby depose and state as follows:

Introduction and Agent Background

1. I am an “investigative or law enforcement officer of the United States” within the meaning of Title 18, United States Code, Section 2510(7). I am a Special Agent with Homeland Security Investigations (HSI) and have been since December 2010. While employed with HSI, I have attended numerous training courses, including the Immigration and Customs Enforcement Special Agent Training course, Criminal Investigator Training Program, and specialized courses in narcotics trafficking investigations. I am currently assigned to the HSI Portland Narcotics and Bulk Cash Smuggling group in Portland, Oregon. I have over 15 years of experience as a law enforcement officer. Prior to my employment with HSI, I was a Customs and Border Protection Officer (CBPO) assigned to the Vessels Enforcement Team. As a Special Agent, I have participated in numerous drug investigations as either the lead case agent or as a supporting investigative agent. I am familiar with narcotics traffickers’ methods of operation, including the manufacture, storage, transportation, and distribution of narcotics, the collection of money that represents the proceeds of narcotics trafficking, and money laundering. I am familiar with how drug traffickers utilize counter-surveillance techniques to avoid detection by law enforcement. Additionally, I have also been involved in investigations involving wiretaps as part of the federal investigations into narcotics trafficking.

Purpose of Affidavit

2. This affidavit is submitted to support a criminal complaint and arrest warrant for **James DUNN Jr.**, white male, date of birth 03/xx/1961 (hereinafter, “**DUNN**”), and **Joshua**

Clay WILFONG, white male, date of birth 08/xx/1972 (hereinafter, "WILFONG") for possession with intent to distribute the controlled substance fentanyl and engaging in a criminal conspiracy to manufacture, distribute, and possess with the intent to distribute the controlled substance fentanyl, in violation of Title 21 United States Code, Sections 841(a)(1) and 846.

3. I have obtained the facts set forth in this affidavit through my personal participation in the investigation described below; from oral and written reports of other law enforcement officers; and, from records, documents and other evidence obtained during this investigation. I have obtained and read official reports prepared by law enforcement officers participating in this investigation and in other related investigations.

4. Since May 2021, investigators have been investigating a DTO run by DUNN and WILFONG that is responsible for manufacturing and distributing large amounts of counterfeit M30 Oxycodone pills manufactured with fentanyl (fentanyl pills) within the greater Portland, Oregon/Vancouver, Washington area. I know that fentanyl is a Schedule II controlled substance. These pills are being manufactured with fentanyl and sold as counterfeit Oxycodone Hydrochloride 30 mg pills, which are blue and stamped with the M30 imprint and commonly referred to as "M30's" and are referenced as "fentanyl pills" herein.

5. Investigators have used a confidential informant and undercover agent to purchase fentanyl pills from DUNN and WILFONG. The investigation has revealed to investigators that DUNN, is the leader of the DTO and is responsible for smuggling fentanyl from Mexico into the United States to be used as active ingredient in the production of these fentanyl pills. Investigators, using a CI, have learned that DUNN purchased fentanyl in Mexico and arranged for the fentanyl to be smuggled into the U.S. DUNN also coordinated the transportation of fentanyl, once it made it across the border, through the District of Oregon, into Washington.

Investigators learned that **DUNN** would then provide **WILFONG** with the fentanyl and **WILFONG** would then use it as the active ingredient in his production of counterfeit Oxycodone “M30” pills (fentanyl pills). Through this investigation we have learned that **WILFONG** produced hundreds of thousands of pills. Once the pills were ready to be distributed, customers would call or text **DUNN** and order a specified amount of pills for a predetermined cost. Once the pill order is placed, **DUNN**, at times, would personally deliver the pills and complete the transaction.

6. On October 12, 2022, two HSI Confidential Informants (hereinafter, “CI-1 and CI-2”) were directed by investigators to meet and discuss completing a drug transaction with **DUNN** and **WILFONG**. Prior to this date, CI-1 had ongoing conversations with **DUNN** about purchasing 300,000 fentanyl pills from **DUNN** in exchange for cocaine, which **DUNN** had agreed to. Prior to the meet, investigators initiated surveillance at the Mancaves storage complex in Vancouver, Washington, a location believed to be used by **DUNN** and **WILFONG** to produce and store narcotics. At approximately 11:07 a.m., SA Nguyen observed **WILFONG** arriving at the Mancaves driving a silver Ford F-350. SA Nguyen observed **WILFONG** get out of the F-350 carrying black backpack and entered the front entrance of the Mancave. Within a few minutes, SA Nguyen saw **WILFONG** walking away from the Mancaves, carrying the same backpack, get into the driver seat of the pickup truck, and depart the area. Investigators followed **WILFONG** to the Owl’s Nest, located at 11875 North Jantzen Drive in Portland, Multnomah County, State of Oregon. **WILFONG** walked into the Owl’s Nest emptyhanded. Investigators believe **WILFONG** picked up narcotics from the Mancaves, which he kept in the black bag, in anticipation of the upcoming meeting with CI-1 and CI-2.

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7. Around the same time, in the presence of investigators, CI-1 contacted **DUNN** by phone and told **DUNN** s/he was not in possession of the quantity of cocaine they earlier agreed to exchange for pills, but stated s/he wished to speak with **DUNN** regarding a future drug transaction, or exchange, of cocaine for counterfeit oxycodone pills believed to contain fentanyl. CI-1 and **DUNN** agreed to meet at the Owl's Nest, located at 11875 North Jantzen Drive in Portland, Oregon. After the recorded phone call between **DUNN** and CI-1 took place, Clackamas County Deputy Anderson provided CI-1 with an electronic transmitter/receiver so members of CCITF and HSI would be able to monitor the conversation between **DUNN** and CI-1.

8. After Deputy Anderson provided CI-1 with the electronic transmitter/receiver, SA Bresee directed CI-1 and CI-2 to go to the Owl's Nest and meet with **DUNN**. SA Bresee and Deputy Anderson maintained constant audio and/or visual surveillance of CI-1 and CI-2 while they drove to the Owl's Nest. **DUNN** arrived in a black Chevy Equinox and met with CI-1 and CI-2 in the parking lot.

9. Investigators observed **DUNN** get out of his vehicle and meet with CI-1 and CI-2. During the meeting between CI-1, CI-2, and **DUNN**, investigators were able to hear CI-1 and CI-2 speaking with **DUNN** through the electronic transmitter/receiver. During the conversation, CI-1 told **DUNN** that CI-2 was his/her business partner. **DUNN** told CI-2 that money was not an issue. Investigators observed **DUNN** open the rear hatch of his vehicle and show CI-1 and CI-2 a large quantity of cash in a bag in the trunk of his vehicle. **DUNN** told CI-1 he was currently low on product because he just sold 100,000 pills. **DUNN** told CI-1 he had a big lab where the pills are made. **DUNN** began telling CI-1 and CI-2 he had friends in Tijuana, Mexico and San Diego, California where he obtained his product.

10. After a period of time passed, CI-1 and CI-2 asked **DUNN** to see his laboratory. **DUNN** stated he does not run the lab, but said he would have to ask his “friend” to show the “lab location.” **DUNN** told CI-1 and CI-2 the lab was less than two miles away. CI-1 and CI-2 told **DUNN** they wanted to verify **DUNN** had access to a lab before they engaged in business with **DUNN**. Because **DUNN** stated he was low on product, CI-1 stated s/he would be able to find some fentanyl, but wanted to verify **DUNN** had a lab. Deputy Anderson was able to hear **DUNN** through the electronic transmitter/receiver ask, “How quick can you get the fentanyl?” **DUNN** told CI-1 and CI-2 he would talk to his partner and see if his friend would show them the lab. As they were walking inside, **DUNN** told CI-1 and CI-2, “My friend’s a body builder. He’s the lab tech guy.”

11. Investigators observed CI-1, CI-2, and **DUNN** walk into the Owl’s Nest. After a period of time, investigators observed CI-1 and CI-2, **DUNN**, and **WILFONG** emerge from the Owl’s Nest. Investigators saw CI-1 and CI-2 get into CI-1’s vehicle and also observed **DUNN** and **WILFONG** get into **WILFONG**’s silver F-350. Deputy Bohince remained at the Owl’s Nest to maintain surveillance on **DUNN**’s vehicle. CI-1 and CI-2 followed **DUNN** and **WILFONG** across the Interstate-5 Bridge and into the Vancouver, Clark County, State of Washington. Investigators maintained constant audio and/or visual surveillance of CI-1 and CI-2 while they were following **DUNN** and **WILFONG**. **DUNN** and **WILFONG** eventually parked in front of the Mancaves at Pearson Storage, located at 311 East Reserve Street in City of Vancouver, Clark County, State of Washington.

12. Investigators were able to see **DUNN**, **WILFONG**, CI-1, and CI-2 walk into the Mancaves storage complex. Investigators observed **DUNN**, **WILFONG**, CI-1, and CI-2 walk into a storage unit of the Mancaves at Pearson Storage on the north side of the building. **DUNN**,

WILFONG, CI-1, and CI-2 were in the storage unit for a period of time before they came out of the storage unit and got back into their respective vehicles. **DUNN**, **WILFONG**, CI-1, and CI-2 all drove back to the parking lot of the Owl's Nest in Portland, Oregon. While they were all in the parking lot, outside of their cars, discussing future business, I was able to hear CI-1 discussing the future arrangements with **WILFONG** through the electronic transmitter/receiver. CI-1 told **WILFONG** s/he needed 300,000 of the counterfeit pills, which contain fentanyl. **WILFONG** told CI-1 that he could take care of the order and that he needed about 4 of the bricks (of powdered fentanyl) to complete an order of that size and told CI-1 it would take several days.

13. At this point in time, investigators from HSI and CCITF moved in and took everyone into custody. After all parties were detained and separated, **WILFONG** and **DUNN** were placed in unmarked vehicles. SA Bresee and SA Nguyen observed in plain view the black bag, believe to contain narcotics, on the floor behind the driver seat of **WILFONG**'s F-350.

14. During the debrief of CI-1 and CI-2, CI-1 stated s/he and CI-2 went to the Mancaves at Pearson Storage with **WILFONG** and **DUNN**. The Mancaves at Pearson Storage is a storage complex where there are individual units rented on a monthly basis. CI-1 stated s/he told **DUNN** s/he and CI-2 wanted to see the laboratory, or area where **WILFONG** and **DUNN** were manufacturing the counterfeit oxycodone pills believed to contain fentanyl. CI-1 stated when s/he and CI-2 arrived at the Mancaves at Pearson Storage, they were with **WILFONG** and **DUNN**. CI-1 stated the "big guy," which CI-1 later confirmed to be **WILFONG**, used a key from his keyring to open the man-sized door to access unit 25 of the Mancaves at Pearson Storage. CI-1 stated **WILFONG** appeared to be the only person who was able to access the door to Mancaves at Pearson Storage unit number 25. CI-1 stated after they were let inside, CI-1

observed a large white cargo trailer. CI-1 was able to confirm it was a white, cargo-style trailer parked inside the storage unit.

15. CI-1 stated **WILFONG** used another key to open the door to the white cargo trailer inside unit 25. CI-1 stated s/he observed a large machine in the white trailer, which CI-1 believed was used to manufacture the pills which are believed to contain fentanyl. CI-1 stated **WILFONG** wanted to show CI-1 and CI-2 how the machine worked, so he turned the pill press on and the pill press manufactured approximately 8-10 counterfeit M30 pills in a very short amount of time. CI-1 stated the pill press was manufacturing the pills at approximately one pill per second. CI-1 stated while they were in the storage unit still, **WILFONG** told both CI-1 and CI-2 the pill press manufactured 4,800 pills per hour. CI-1 stated there was also a small safe in the trailer inside the storage unit. CI-1 stated **WILFONG** opened the safe in trailer and there was a small, baggie which contained approximately 50 pills inside it.

16. Investigators conducted a search of **WILFONG**'s F-350 and **DUNN**'s Equinox. The search of the F-350 resulted in the discovery and seizure of approximately 10,000 blue counterfeit Oxycodone "M30" pills, which weighed more than 400 grams (approximately one kilogram). The search of **DUNN**'s Equinox resulted in the discovery and seizure of approximately \$50,000 in U.S. currency. A picture of the seized drugs is below:

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17. On October 12, 2022, a search warrant was obtained for the storage unit **WILFONG** and **DUNN** took the informants to at the Mancaves at Pearson Storage, located at 311 East Reserve Street in City of Vancouver, Clark County, State of Washington. Inside the storage unit investigators found and seized a pill press and associated lab equipment used in the manufacture of counterfeit M30 Oxycodone pills made with fentanyl. Pictures of the pill press and lab are below.

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18. I know that drug traffickers are increasingly selling counterfeit M30 prescription pills that are manufactured with fentanyl, a Schedule II controlled substance. These counterfeit pills are designed to replicate real 30 mg Oxycodone Hydrochloride pills, which are round, blue in color, and stamped with an "M" and "30" on them. Drug dealers regularly counterfeit these pills and, while attempting to replicate the round shape, the blue color, and the stamp of "M" and

“30,” they are instead manufacturing these pills with fentanyl as the active ingredient. The counterfeit pills, while looking roughly similar to the real thing can often be distinguished based upon their appearance. The counterfeit M30 pills often have a different shade of blue than the real thing and sometimes they are even manufactured in different colors, the edges of the pills and the stamped impressions are often rough and lack the precision of a real 30 mg Oxycodone Hydrochloride pill, and sometimes the counterfeit pills will crumble easily under pressure. I have seen and seized hundreds of thousands of these counterfeit M30 pills and lab reports on samples of the seized pills have always confirmed the presence of fentanyl in them. I know a user amount of a counterfeit M30 pill is often one pill, which can either be ingested or burned and inhaled. These pills can sell on the street to a user for between \$3 to \$20. Based upon my training and experience the approximately 10,000 seized counterfeit M30 Oxycodone pills are manufactured with fentanyl, a Schedule II controlled substance, and I know that a person possessing approximately 10,000 suspected fentanyl tablets does not possess those tablets for personal use but rather such a quantity indicates that they are possessed for purposes of further distribution.

19. I am also familiar with the process by which counterfeit M30 pills are manufactured. I have observed photographs of the pill press and the materials seized in the “laboratory” in this case and talked with the agents involved in the search and seizure of those items. I know that the pill press was fully functional. Based upon my training and experience the pill press and the laboratory had all the equipment necessary for the mass production of counterfeit M30 Oxycodone pills made with fentanyl.

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Conclusion

20. Based on the foregoing, I have probable cause to believe, and I do believe, that **DUNN** and **WILFONG** committed the crimes of Possession with Intent to Distribute a Controlled Substance, to-wit fentanyl, and Conspiracy to Manufacture, Distribute, and Possess with the Intent to Distribute a Controlled Substance, to-wit: fentanyl, in violation of 21 U.S.C. §§ 841(a)(1) and 846. I therefore request that the Court issue a criminal complaint and arrest warrant for **DUNN** and **WILFONG**.

21. Prior to being submitted to the Court, this affidavit, the accompanying complaint and the arrest warrant were all reviewed by Assistant United States Attorney Scott Kerin. AUSA Kerin advised me that in his opinion the affidavit and complaint are legally and factually sufficient to establish probable cause to support the issuance of the requested criminal complaint and arrest warrant.

By phone pursuant to Fed R. Crim. P. 4.1
ALEX NGUYEN
Special Agent, Homeland Security Investigations

Subscribed and sworn in accordance with the requirements of Fed. R. Crim. P. 4.1 by telephone at 8:57 am on October 13, 2022.

Jolie A. Russo
HONORABLE JOLIE A. RUSSO
United States Magistrate Judge